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AZ CORP COMMISSION  
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1 Michael A. Parham  
2 5333 North Seventh Street  
3 Suite B213  
4 Phoenix, Arizona 85014  
5 (602)265-6804

6 Attorney for ICR Water User Association  
7 State Bar No. 4853

## BEFORE THE ARIZONA CORPORATION COMMISSION

8 WILLIAM A. MUNDELL  
9 Chairman

10 JIM IRVIN  
11 Commissioner

12 MARC SPITZER  
13 Commissioner

14 IN THE MATTER OF THE APPLICATION OF ICR  
15 WATER USERS ASSOCIATION, INC. FOR AN  
16 EXTENSION OF ITS EXISTING CERTIFICATE OF  
17 CONVENIENCE AND NECESSITY

)  
)  
) Docket No. W-02824A-01-0900  
) FIRST AMENDMENT TO  
) APPLICATION  
)

18 On November 13, 2001, ICR Water Users Association, Inc. ("ICR") filed an  
19 Application requesting an extension of its existing Certificate of Convenience and Necessity.  
20 Through this First Amendment to Application, ICR seeks to file an Amendment to the Water  
21 Facilities Line Extension Agreement, Exhibit 1 thereto. Attached hereto as Exhibit "1" is a  
22 true copy of said Amendment. The purpose of the Amendment is to provide for a refund of  
23 advances to the Developer. ICR respectfully requests that the Commission amend ICR's  
24 pending Application to include this Amendment.  
25  
26

Arizona Corporation Commission

DOCKETED

FEB 07 2002



LAW OFFICES  
MICHAEL A. PARHAM  
PARAGON PLAZA SUITE B-213  
5333 NORTH 7TH STREET  
PHOENIX, ARIZONA 85014  
602-265-6804

1 DATED this 6th day of February, 2002.

2 LAW OFFICES OF MICHAEL A. PARHAM

3 By: 

4 Michael A. Parham

5 5333 North Seventh Street

6 Suite B213

7 Phoenix, Arizona 85014

8 (602) 265-6804

9 Attorney for ICR Water User Association

10 ORIGINAL and ten (10)  
11 copies of the foregoing filed  
12 this 6th day of February,  
13 2002, with:

14 Arizona Corporation Commission  
15 Docket Control-Utilities Division  
16 1200 W. Washington Street  
17 Phoenix, AZ 85007

18 COPY of the foregoing  
19 delivered this 6th day of  
20 February, 2002, to:

21 Jim Fisher  
22 Utilities Division  
23 Arizona Corporation Commission  
24 1200 West Washington Street  
25 Phoenix, AZ 85007

26 Deborah R. Scott  
Director, Utilities Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, AZ 85007

Christopher Kempley  
Chief Counsel  
Legal Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, AZ 85007



When recorded mail to:  
ICR Water Users Association  
P.O. Box 4413  
Prescott, AZ 86302

**FIRST AMENDMENT TO  
WATER FACILITIES  
LINE EXTENSION AGREEMENT**

This Agreement, made this 31 day of January, 2002 by and between ICR Water Users Association, an Arizona Corporation, whose address is Post Office Box 4413, Prescott, AZ 86302 (hereinafter referred to as "ICR") and Whispering Canyons whose address is 118 S. Pleasant, Suite 102, Prescott, AZ 86302 (hereinafter referred to as "Developer").

RECITALS: A. The parties on March 12, 2001 entered into a Water Facilities Line Extension Agreement for the purposes of providing for the water requirements for persons residing within the area generally described as Whispering Canyons subdivision.

B. The parties wish to amend said Agreement to provide for refunds of advances to Developer.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereby agree as follows:

1. Section 11 of said Line Extension Agreement dated March 12, 2001 is deleted in its entirety.
2. A new section 11 is added to said Line Extension Agreement dated March 12, 2001, reading as follows:

11. The funds advanced for off-site facilities and the on-site facilities as evidenced by invoices furnished to ICR pursuant to paragraph 9 hereof shall be contributed to ICR by Developer as a Contribution-in-Aid-of-Construction. Following ICR's acquisition of the off-site and on-site facilities as provided above, ICR shall refund annually to Developer an amount equal to fifteen percent (15%) of the gross annual operating revenues from water

sales to bona fide customers of ICR within the Property. Such refunds shall be paid by ICR on or before December 31 of each calendar year three (3) years after the initiation of water utility service to the first customer within the Property by ICR, continuing thereafter in each succeeding calendar year for a total of twenty-five (25) years. No interest shall accrue or be payable on the amounts to be refunded for said facilities, and any unpaid balance remaining at the end of such twenty-five year period shall become a non-refundable contribution in aid of construction to ICR and be recorded as such in ICR's books and records of account. In no event shall the total amount of the refunds paid by ICR pursuant to this Agreement exceed the total amount of all refundable advances paid by Developer in connection with the construction of the Facilities.

3. This Amendment shall be governed by the laws of the State of Arizona and shall be subject to such approvals of regulatory agencies as may be required under the laws of said State.

4. This Amendment shall be binding upon and inure to the benefit of the parties hereto, and their respective successors and assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement in duplicate counterparts, with each counterpart constituting an original.

ICR WATER USERS ASSOCIATION

WHISPERING CANYONS

By: JM Cairns

By: [Signature]

Its: Broadie Director  
Manager

Its: Project Manager

State of Arizona )

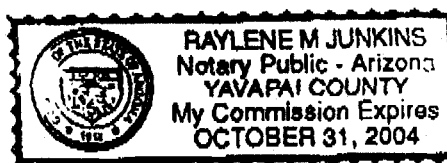
) ss.

County of Yavapai )

Before me this 6<sup>th</sup> day of ~~January~~<sup>February</sup>, 2002 came Suzette Mc Craine as  
the Manager of the ICR Water Users Association, who has executed the foregoing  
document as of the date written above.

Raylene M. Junkins  
Notary Public

My Commissions Expires:

Oct 31, 2004

State of Arizona )

) ss.

County of Yavapai )

Before me this 6<sup>th</sup> day of ~~January~~<sup>February</sup>, 2002 came Victor Hambrick as the  
Project Manager of Whispering Canyons, who has executed the foregoing document as  
of the date written above.

Raylene M. Junkins  
Notary Public

My Commission Expires:

Oct 31, 2004